

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

SB 526 – HB 1062

March 18, 2017

SUMMARY OF ORIGINAL BILL: Adds “footprint” to the list of chapter definitions under the Billboard Regulation and Control Act of 1972.

FISCAL IMPACT OF ORIGINAL BILL:

NOT SIGNIFICANT

SUMMARY OF AMENDMENT (005174): Deletes and replaces language in the bill such that the amended bill: requires the location of a permitted advertising device to be determined by the location of the supporting monopole or by the location of the nearest supporting pole to the highway; and establishes that the replacement of supporting poles with a monopole from being considered a change of location that would require a new permit, if the permittee gives notice and receives approval by the Department of Transportation (TDOT) before reconstructing the device, and such device is erected within the line segment defined by the previous supporting poles, and the location of the monopole meets spacing requirements.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Decrease State Revenue – Exceeds \$2,000/Highway Fund

Assumptions for the bill as amended:

- Currently, TDOT issues permits for construction of outdoor advertising devices as well as permits for the relocation of such signs.
- TDOT charges \$200 for each permit and issues approximately 200 permits each year. An additional \$200 is charged for an application for an addendum to an existing permit requesting authorization to upgrade an existing outdoor advertising device.
- The proposed bill as amended will exempt the billboard industry from reapplying for a permit when relocating a pole sign if certain criteria are met.
- It is assumed that at least five percent of total permits are for signs that are relocated each year that will not be required to obtain an additional permit for such relocation as a result of this legislation. The associated recurring decrease in state revenue to the

Highway Fund is estimated to exceed \$2,000 (\$200 permit fee x 200 permits issued x 5.0%).

- Any decrease in state expenditures from the Highway Fund is estimated to be not significant.

IMPACT TO COMMERCE WITH PROPOSED AMENDMENT:

Decrease Business Expenditures – Exceeds \$2,000

Assumptions for the bill as amended:

- The proposed bill as amended will exempt the billboard industry from reapplying for a permit when relocating a pole sign if certain criteria are met.
- As a result, there will be a recurring decrease in business expenditures estimated to exceed \$2,000 (\$200 permit fee x 200 permits issued x 5.0%).
- Any impact on the number of jobs in Tennessee will be not significant.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Krista M. Lee, Executive Director

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